

## ABSTRACT

In Indonesia the number of Internet users has increased since 2013. In 2018, Indonesia was in the sixth world rank with 123 million internet users. There are many kinds of business come up by exploiting the development of technology, one of them is the appearing of varied mobile application in Indonesia either local or foreign products. One of the businesses which based on application in hospitality service is Airbnb. Airbnb is the biggest online marketplace which registers and rent the hospitality service such as home, apartment, or villa, for spending a holiday out of the town or abroad. Airbnb expands its business in Indonesia as it considers the country to be one of the most important markets in Asia Pacific and the data show that Airbnb's growth in Indonesia keeps rising every year. Since the success of Airbnb application, it is important to analyze factors influencing continuance Intention of Airbnb application users in adopting Airbnb application in booking to increase the future Airbnb positions.

This research aims to analyze factor influencing continuance Intention of Airbnb application adoption in Indonesia. A research model used in this research is a Modified Unified Theory od Acceptance and Use of Technology 2 (UTAUT2) Model with Trust as a new variable.

The data was gathered through an online survey and earned 400 valid respondent who in the age 17-60 years old and already use Airbnb application for at least three time booking. All the data gathered has been fulfilled the validity and reliability criteria. To test the hypothesis, this research uses Structural Equation Modeling (SEM) with SmartPLS 3.2.8 as the statistical software.

The result revealed that there are five factors in the Modified UTAUT2 Model which significantly influence the continuance Intention of Airbnb application adoption. The factors from the highest to the lowest influence consecutively are Habit, Trust, Hedonic Motivation, Price Saving Orientation and Facilitating Condition. In terms of moderating factors, Gender only moderates the influence of Facilitating Condition and Hedonic Motivation towards Continuance Intention. While Age is not moderating any influences of factors towards Continuance Intention. The model of this research can strongly predict the Continuance Intention of consumers towards Airbnb application in Indonesia since the  $R^2$  is 80.6%. This model can be used by Airbnb application in making decisions to maintain the Continuance Intention of consumers towards Airbnb application adoption by paying attention to the influenced factors and its indicators.

This research has found that Habit is the most significant factor from the Modified UTAUT2 Model that influence the continuance intention of Airbnb application adopting in Indonesia. It implies that Airbnb application need to reach out to their customer and offer the best service so it becomes a habit for them in using Airbnb application in booking hospitality service. This modified UTAUT2 Model has a strong explanatory power which is 80.6%, so for further research is expected to do the research in the field of mobility but with the different object.

**Keywords**— *Hospitality Service, Modified UTAUT2, Continuance Intention, Airbnb Application, Indonesia.*